

|||
= dp =
|||

dugan production corp.

RECEIVED
FEB 25 1983

U.S. GEOLOGICAL SURVEY

February 24, 1983

Bureau of Land Management
Attn: District Supervisor
P. O. Drawer 600
Farmington, New Mexico 87499

Re: Application to Vent Casinghead Gas
Dugan Production Corp.
Rex #2
Lease No. SF 078009C
Unit D of Sec. 18, T-27-N, R-13-W
Undesignated Gallup (San Juan) Field
San Juan County, New Mexico

RECEIVED
1 23 1983

Gentlemen:

Attached is a copy of our application to the New Mexico Oil Conservation Commission for exception to the state No-Flare Rule 306 which was approved July 6, 1976, until further notice.

Also attached for your review is a copy of our most recent Gas-Oil Ratio Test (N. M. Form C-116) which presents a test taken 8-20-82 during which time a daily rate of 0.42 BOPD, 0.0 BWPD, and a gas volume TSTM was tested. During 1982 production from the Rex #2 averaged 0.62 BOPD, gas volumes TSTM. During 1/83 production averaged 0.68 BOPD, 0.0 BWPD, and gas TSTM.

We request that the Bureau of Land Management recognize the current state authorization for the venting of a minor amount of casinghead gas (currently estimated less than 0.1 MCFD) which is not used on the lease for Dugan Production's Rex #2.

Sincerely,

John D. Roe

John D. Roe

JDR:mba

Attachments

APPROVED

FEB 23 1983

Elliot
For JAMES F. SIMS
DISTRICT ENGINEER

709 BLOOMFIELD RD. • P.O. BOX 208

FARMINGTON, NEW MEXICO 87499

• PHONE: 505-325-1821

dmoct